GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4565
ANSWERED ON:08.05.2007
EXPORT OF IRON ORE
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether export of iron ore to China accounts for 50 per cent of the total export basket;

(b) if so, whether India is the third largest supplier of iron ore to Chinese steel industry;

(c) whether China has threatened to boycott Indian iron ore as protest against the recent proposal of the Government to raise the duty on export of iron ore;

(d) if so, the details thereof;

(e) whether Indian officials in China have held talks with their counterparts in China in this regard;

(f) if so, the details and the outcome thereof; and

(g) the steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a): The share of iron ore in total Indian exports to China during the year 2005-06 was 49.62%.

(b): Yes, Sir.

(c)&(d): Some reports were carried in Chinese media to this effect. However, the media reports did not attribute the threat of boycott by any official Chinese organisation, nor was the threat of boycott communicated formally or otherwise.

(e)&(f): Officials of the Indian Embassy had discussions with the officials of the China Iron & Steel Association and the China Chamber for Import/Export of Metals, Minerals and Chemicals on this issue. During the course of discussions, the two bodies expressed concern at the sudden rise in the price of Indian iron ore.

(g): Government has since reduced export duty on iron ore fines with Fe content 62% and below from Rs. 300/- per metric tonne to Rs. 50/- per metric tonne.